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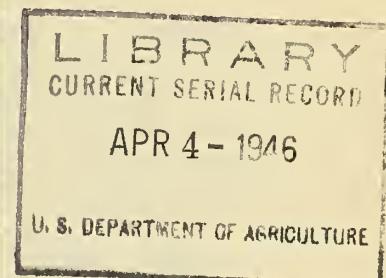
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Marketing Activities



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U.S. DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

IN THIS ISSUE:

Today you can buy a carload of apples sight unseen, from a seller you don't know, and rest easy--because you know that an inspector will see that they come up to the grade your contract calls for. Who are these inspectors? Where do they come from? How and by what routes do they follow the harvests? What's the life like?

- "IT KEEPS US POSTED" Page 8

In its 30 years of development, the grain market news service has thrown a lot of light into darkness for American farmers and feeders who buy and sell grain, feed, and hay.

- WASTE, SPOILAGE IN TERMINAL MARKETS Page 13

If dealers could put to use what is already known about how to reduce waste and spoilage in fresh fruit and vegetable terminal markets, the savings would be considerable. This article is adapted from a talk by F. G. Robb of PMA's Fruit and Vegetable Branch.

A recent survey of the kinds of radio programs farmers choose indicates what they think of market news broadcasts.

Address all inquiries to
Elbert O. Umsted
Editor, Marketing Activities
U. S. Department of Agriculture
Washington 25, D. C.

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They Follow the Crops

Joe Smith has written his State supervisor for an assignment. He'll be out of the Army in March, and he's coming back to his job of being a licensed Federal-State inspector.

Joe had been no stranger to fruits and vegetables when he started the inspection work. He'd grown up on a farm, for one thing. Many a fall he'd watched old-timers judge fruits and vegetables at the county fair. And he'd spent 2 years at State college before he put in his year as a licensed potato inspector, just before he joined up.

The inspection job wasn't easy, but he could pretty well choose where he'd be and could work as many months of the year as he pleased, driving between locations in his own car. An even better feature of the job than this freedom was what the inspection and grading experience might lead to. Some shipping-point inspectors become managers of packing houses. Some become marketing specialists in the Department of Agriculture and fill desirable marketing jobs in the State governments and in industry.

The Joe Smiths aren't the only men who are coming back to the fruit and vegetable inspection service. During the war the shipyards and war plants, as well as the armed services, took away about a quarter of the inspection force. Now about half of those who left are coming back, plus a number of young men just starting in. To qualify, an applicant must be at least 20 or 21 years old and must also be a college graduate, or have been brought up on a farm, or have had packing and grading experience in a packing house.

Recruits Trained

The Federal supervising inspector, assisted by the traveling regional supervisor, trains the recruits. The men receive the general shipping-point handbook which they study in class and between times. Since potatoes are the easiest commodity to grade and most beginners work on them during their first year, the class also studies a shipping point circular on potatoes. The men are trained in packing, loading, grading, and marketing. Instructing supervisors use photographs and plaster-of-paris models in class work and for comparison purposes in actual grading work.

Trainees who pass an examination are ready to go to work. After two or three seasons the service encourages inspectors to learn how to inspect an additional commodity--often citrus fruit, since the inspection demand by this commodity is very heavy. Some advanced inspectors are qualified to inspect 30 to 35 commodities.

There are two groups of inspectors. A small number under Civil Service operate only in terminal or receiving markets in about 60 large cities. Commodities are inspected at wharves, railroad yards, wholesale produce dealers' stores, navy yards, and railroad sidings for institutions, jails, hospitals, restaurant chains, and shipping lines. Fancy grades of fruit and vegetables from California, sold to companies operating big luxury liners, are inspected by terminal inspectors. Inspectors also help to fix liability in cases of claim or dispute.

The second and larger group is composed of about 2,000 Federal-State licensed inspectors who operate at loading points under 46 cooperative agreements which are usually with State departments of agriculture. The State hires the men and the Federal supervisor trains them and supervises their inspection work. Jobs are assigned by the Federal-State supervisor. The Federal supervisor is often located at the State capital and may have charge of inspection work in more than one State. The Florida supervisor, for example, is also in charge of inspection work in Georgia. In addition there are about 200 "key men" or supervisors (not Federal supervisors) who help to train the inspectors. These supervisors have from 1 to 10 men working under their direction. It is possible for a man to qualify for the position of key man in three to five seasons. Inspection work is paid for out of a State fund that grows out of fees collected from persons for whom inspections are made.

Families

In the early days of inspection work the service employed younger men mostly. Today some inspectors have been in the service 10 or 15 years, and again the swing is to hiring younger men for inspectors. Some of the older ones, having married since they came in, are faced with the problem of where the family is to live. Sometimes wives travel by car from place to place with their husbands. After a while some families settle in Florida or Texas, where the packing season extends over 9 months of the year, or in some other place where a permanent home may be established. The service tries not to move family men too much. Moving is especially troublesome when there are children of school age. However, each family works out its own problem.

Where the men go is optional, provided they can find someone to assign them work. The State to which they report allows inspectors some money, but none to pay for moving the family. Some men and their families live in trailers, particularly in California. Because there are so many crops in California most of the men who work in that State stay there the year round. Some inspectors in California work for only 3 months and spend the rest of the year working on their own ranches. Florida and Texas also have a long season--from October to June.

Inspectors usually need an automobile, unless they work in large packing houses. Most men prefer to travel in their own cars to the

various railroad sidings. Accommodations in hotels or boarding houses are not always good, particularly in small towns at harvest time.

Inspectors follow the crops. For example, in Florida in January they inspect oranges, grapefruit, and tangerines. All Florida citrus fruit is inspected, and licensed inspectors are in the packing houses to see if the pack is in line with U. S. specifications. As provided in the marketing agreement and order on citrus fruit in Florida, the Secretary of Agriculture may decide that only certain grades and sizes of fruit may be shipped during a specified regulation period. Inspectors must see that the decision is carried out.

After the heavy citrus season come the Florida truck crops. Some inspectors then go to New Jersey, to inspect asparagus there early in the spring. Others go to Georgia to inspect watermelons and peaches. On another route the inspectors might start in Texas, then move to Louisiana or Arkansas to work on strawberries. Another route, covering more territory, would include citrus inspection in Florida, inspection of truck crops in Georgia, inspection of peaches and truck crops in South Carolina and North Carolina, and finally inspection of cannery tomatoes in New Jersey or Pennsylvania. An even longer route might start in Florida, go through six more States, and end in Maine. Or an inspector might stay in Florida from October to June during the entire citrus-packing season.

Clearing House Maintained

A clearing house maintained in Washington, D. C., for available inspectors keeps in constant touch with State and Federal supervisors. Many of the arrangements are made by telephone. Inspectors also write or telegraph to Washington. For example, a man in Georgia may apply for a January assignment. There isn't any inspection work in that State at that time, but in March there may be a job near by and the man in Georgia is remembered. The State supervisor submits a report on each inspector's personality, tact, cooperation, judgment, knowledge, and reliability. Favoritism toward any inspector is unlikely because each supervisor submits a report of the inspectors coming under his jurisdiction, and the reports on any inspector may be compared.

In making inspections in a refrigerator car an inspector usually draws 10 to 25 samples from 400 to 1,000 packages. If he is working on potatoes, he will dump all the contents of the package on a table to make his inspection. If it's apples, he takes as a sample a quarter to a half of the container. When they are inspected, most fruits and vegetables are firm--a state desirable for shipping but not ripe enough for eating--and the inspector must be able to determine the grade in this state. In the packing plant the packer names the grade he wants to pack, and the inspector tells him whether the product meets the standards of that grade.

At canning plants, inspectors examine incoming produce and determine the grades according to which the growers are to be paid,

the higher grades bringing better prices. Carloads of fruits or vegetables are often inspected more than once. Inspections may be made at shipping point, again at destination, and additional inspections to determine condition may be made upon request. Potatoes are required to be inspected if they are to be sold on the futures market.

During the past year permanent terminal inspectors inspected approximately 120,000 carload equivalents at destination point; licensed inspectors inspected 700,000 carload equivalents at shipping point. Factors in grading include appearance, color, shape, cleanliness, size, maturity, and freedom from defects (including injury from insects or by mechanical means). Standards include grade and size classifications, and in some cases also packing requirements such as tightness and arrangement, tolerances, and definitions. Shipping inspectors are authorized to issue an official certificate of grade for fruits or vegetables they have inspected. An official certificate of grade from the U. S. Department of Agriculture is accepted in all Federal courts as *prima facie* evidence of commodity grade.

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HORTICULTURAL INDUSTRY ADVISORY COMMITTEE NAMED

The U. S. Department of Agriculture has named 42 representatives of growers and handlers to the newly organized Horticultural Industry Advisory Committee on Foreign Trade, which will counsel and cooperate with the Government in the development of programs to promote a desirable pattern of foreign trade in fruits and vegetables. The first meeting of the committee is scheduled to be held in Washington, D. C., on January 28-31.

USDA officials explained that the revival of foreign trade in fruits and vegetables is an important part of reconversion for the horticultural industry and that the Department desires the advice and suggestions of the industry in the solution of import and export problems.

The committee consists of growers and handlers from the apple, citrus, pear, table-grape, stone-fruit, dried-fruit, tree-nut, vegetable, and potato segments of the horticultural industry. If necessary, representatives from other segments of the industry may be selected. The committee is so organized that the entire group may be convened to advise with Government officials on problems common to all segments of the industry, or the committeemen from individual commodities may be called together to consider problems affecting only their particular commodities.

The first meeting will discuss such topics common to the industry as the world fruit and vegetable supply and demand situation, USDA commitments concerning the support of agricultural crops, and factors affecting exports.

USDA TO BUY DRIED EGGS FOR EXPORT

A dried egg purchase program under which approximately 8.5 million pounds of the product will be bought for delivery in February and March was announced by USDA on January 25. The dried eggs will be used to fulfill definite export commitments made by the Department. Originally it was intended to fill these commitments with dried eggs processed from frozen eggs declared as "surplus" by the Army. The frozen eggs, amounting to 70 million pounds, were taken back recently by the Army, which action has made it necessary for the Department to buy dried eggs in the open market to meet these commitments.

Purchases will be made only from driers who certify that they have paid at least support prices for the shell eggs purchased from producers.

Additional export commitments are now under negotiation and if consummated will require the purchase of additional quantities of dried eggs under this program.

If these negotiations fail to materialize, however, or if the farm price for shell eggs drops to support levels, USDA will buy dried eggs for price-support purposes under a separate program. As previously announced, this program will be the principal phase of egg price-support operations to be conducted by the Department in 1946.

Purchases, unlimited as to quantity under this program, will be made on an offer and acceptance basis from vendors who certify that they have paid prices to producers which reflect a support level amounting to an average of 27 cents a dozen (loose basis) for marketable and edible shell eggs in the Midwest where prices are historically lower than the national average price. (For the United States an average farm price of 29 cents a dozen for edible eggs reflects support at not less than 90 percent of parity level, as required by law.)

Purchases of the dried whole egg powder under the price-support program will be made on an offer and acceptance basis at paying prices announced by the USDA in advance of offering dates. An advance announcement of a price of \$1 a pound, f. o. b. delivery point, for the product delivered in 14-pound containers and 99 cents for powder packed in barrels, was made on January 25.

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FEBRUARY PROTEIN MEAL SET-ASIDE IS 5 PERCENT OF PRODUCTION

Processors will be required to set aside 5 percent of their February production of soybean, cottonseed, linseed, and peanut meal. This is the same as the quantity ordered set aside beginning January 21 (when the set-aside order was reinstated) through January 31. Processors are being instructed to ship the set-aside meal for use in designated States which are short of their equitable share of supplies of protein meal.

"It Keeps Us Posted"

A farmer had a good stand of corn. A friend on the next place also had a good stand; indeed the word had got around that corn was in good shape all over the county.

But there in Iowa, the farmer knew, a lot of counties grew corn. So he wondered if the crop looked as good as his in all those other counties, or if he and his near neighbors were lucky.

He realized, though, that it did no good to wonder about Iowa alone. Corn was raised all over the country. What was more, it was used all over, and the amounts raised and used all over would pretty well set the price his own crop would bring. How many cattle would there be to feed? How big a pig crop, to push up grain prices? On top of that, how big a crop of hay and other things that stock eat?

So he wondered. So did the feeders and others who needed to know the answers. The farmers grew the grain and the feeders bought it, and what little information there was came too late to do much good. The year was 1914.

In 1915 the Federal market news service started on a small scale on a single commodity. Transportation improvements then under way pointed to a quicker distribution of many kinds of agricultural products, and the importance of information on commodity supply, demand, and movement mounted rapidly. Grain farmers and cattle feeders, who were as quick as the growers and handlers of the next commodity to sense which way the wind was blowing, calling for a market news service on grain, feed, and hay, got it in 1916.

Available at Principal Grain Markets

First came a biweekly report on supply sources, dealers' stocks, market receipts, shipments, and prices. Service on grain expanded gradually until today it is available at practically all principal grain markets. Among the numerous reports published, farmers find the Weekly Grain Market Review especially helpful because it covers the basic market factors that determine crop prices. It traces the development of the market for the principal grains, the progress of the various United States crops, and the movements, supply, demand, other market influences, and prices of the principal grades and classes of grains.

Grain market news funnels through the cities of the big grain areas of the West and Midwest. Grain reports on rye, barley, flax, oats, and spring wheat flash from Minneapolis, the big flour center. Chicago tells its story on wheat, corn, and oats; Kansas City, Mo., on winter wheat, oats, grain sorghums, and barley; and San Francisco on wheat,

barley, and flaxseed. Portland, Oreg., distributes market news on wheat, feed grains (barley and oats), and corn. Also available are weekly reports on the Pacific coast barley and feed grain market issued from Portland and San Francisco. A commercial Grain Stocks Report issued from Chicago, Kansas City, Minneapolis, Portland, San Francisco, and Washington gives stocks at 45 points in the United States, and stocks of United States grain in Canada and of Canadian grain in this country and Canada.

The weekly grain market reviews report the quality of the different grain crops as early in the season as reliable data can be obtained from inspection records. In recent years the weekly reviews, through the cooperation of specialists in the Bureau of Entomology and Plant Quarantine, have supplied information on the development and spread of stem rust regularly during the infestation season.

The Weekly Feed Market Review, developed to meet the need of cattle feeders, dairymen, and poultrymen, includes information on all byproduct feed prices, supply and distribution, location of supply, areas of greatest demand. It is issued from Chicago, Kansas City, Los Angeles, Minneapolis, Portland, San Francisco, and Washington. USDA field offices and commercial correspondents supply information on prices of byproduct feeds, millfeeds, and oilseed meals. The service also supplies information on representative dairy and poultry ration costs in important feeding areas. A feed price index indicates the level of feed prices from week to week.

Hay information, collected and disseminated from Kansas City, Mo., Portland, Oreg., and Los Angeles, is important to growers and shippers. The Weekly Alfalfa Market Review reports the situation in alfalfa markets and producing areas. Other market news on hay includes a daily alfalfa market report from Los Angeles covering the local alfalfa market and receipts, prices, and market demand.

Rice

The rice market news service started in 1928. Before then American rice growers, discouraged at their poor marketing situation, through the American Rice Growers Cooperative Association of Lake Charles, La., had gone to the U. S. Department of Agriculture for help. The result was the Rice Market Review, a 300-word sheet intended to put rice growers on a par with millers so far as market information was concerned. Soon afterward, USDA arranged with the Bureau of Foreign and Domestic Commerce to send out weekly rice export figures.

Later, when growers and the rice industry wanted current information about where exported rice was going, USDA arranged for weekly reports to Washington from New Orleans and other important points on all rice shipments according to countries of destination. Next followed reports on market supplies and the distribution of milled rice. Market

correspondents reported from the main southern and California rough rice marketing centers and from such important milled rice markets as San Francisco, Houston, New Orleans, Atlanta, Jacksonville, Charleston, Savannah, Columbia (S. C.), and New York City. The rice milling industry helped by submitting from all rice mills monthly statistics on rough rice receipts, the quantity milled, the quantity of each type of milled rice produced, and the quantity of milled rice shipped or distributed during the month. Nowadays, the service issues a comprehensive review of the rice market each Tuesday from Washington and San Francisco.

When the need for more statistical and market information on certain grains and feeds became apparent, the Washington office of the service prepared a number of special quarterly market summaries, available through field offices in areas where the particular commodity was important. Quarterly summaries have included barley, oats, grain sorghums, rye, flaxseed, and feed. Among monthly reports issued from Washington is the Alfalfa Meal Production Report, which gives production of alfalfa meal as reported by millers and grinders and dried grain production as reported by brewers and distillers. The service also supplies market news on beans in California and on hops in California, Oregon, and Washington. Other market reports on grain, hay, or feed are issued semiannually, seasonally, or annually from Washington or important market centers.

Commodity Specialists

Market news reporters are commodity specialists. They talk directly with buyers and sellers during trading hours and have access to records of various trade interests. They keep their eyes open when trading is going on, appraise the quality, grade, and condition of commodities, note whether prices are up, down, or unchanged.

The public gets USDA market news by telephone, mail, leased and commercial telegraph wire, hears it on the radio, reads it on bulletin boards, in newspapers, trade and farm publications, and receives it through the facilities of commercial and financial institutions and other interested agencies. Federal-State market news agreements with various State departments of agriculture and other Government agencies enlarge the scope of the service. Daily and weekly radio broadcasts meet the needs of particular areas and special commodities. Field offices prepare one or more radio market reports which go out on radio circuits and are broadcast by a number of stations. A total of 300 United Press serviced radio stations receive a daily market digest from the Chicago office, and 25 other radio stations receive the regular weekly mimeographed reviews.

How do the various people who use market news reports like the service? A large chain of dairies writes that it uses market news reports as a "guide in the purchase of feed supplies." The reports

keep the organization informed as to prices, market trends, supplies, quality, movement, outside market conditions, and prospective stocks of important feeds at outlying points, and the company saves considerable money because it is able to buy efficiently. A rice company says: "We use all types of information in your bulletin...interested in the supply and demand, growing conditions and tentative market prices." Another company handling rice finds useful figures on disappearance of rough rice from producers, distribution from mills, and carry-overs.

Market news production figures are valuable not only to farmers but to handlers and users all along the line. A cereal company finds the reports "vital in the production and distribution of products for animal feed." A milling company states that the reports keep the firm "advised of production to determine probable available supplies for mixed feed manufactures."

The importance of the news service to farmers is evidenced in a typical statement from a farmer that the service is helpful in the planting of crops and the marketing of produce. A farmer with 4,000 acres of grain states he "would be lost without market news reports."

Guide to Buying Right

From stockyards comes the statement that market news reports are a "barometer" in feed purchasing. A group of milk producers reports using the material "as a guide in making profitable purchases of alfalfa, feedstuffs, and grains." A poultry grower says: "We buy feed for the poultry ranch in carlots and direct from grower--the reports give us prices." "We feed cattle and want to be informed," states a packing company. And a rancher writes: "We're in the livestock business and buy most of our feeds--reports very helpful in knowing current market." A cooperative uses the reports in buying barley, wheat, hay, and other grains for more than 1,000 dairymen, stockmen, sheep feeders, and poultrymen.

Market news reports help grain growers determine the most advantageous method of operation. An alfalfa growers association reports: "During the peak of the season when production appeared somewhat burdensome some hay was cured and tonnage conserved for later use... at the same time the price of green feed was maintained." And a processing corporation states: "It assists in long-range planning of sales program of distillers dried grains."

The reports give a clear and unbiased picture of the grain situation. What this is worth to handlers is shown by the following statement from a cooperative exchange: "We need this information in connection with work on feed purchases for more than 100,000 farmers in the East. A farmer with 1,500 acres of alfalfa, grain, cotton, and other crops finds that the reports stabilize dairying and feed markets for all feeds and hay." A bureau of business research uses the statistics in research.

Farmers and others find help in the reports on weather, crop, and pasture conditions.

A lot of people in a lot of different businesses react the same way to the grain market news service. A West coast brewer in a recent letter put it in four words. He said: "It keeps us posted."

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EXTENSION OF 1945 WOOL-PURCHASE PROGRAM

The limit on the time during which the Commodity Credit Corporation will buy wool under the 1945 wool-purchase program has been extended from July 1, 1946, to November 1, 1946.

The action was taken primarily to assure growers a market for their 1946 clip at prices in line with those of recent years, and to encourage orderly marketing of the 1946 clip.

Department officials pointed out that extension of the program will make it possible for domestic growers to market their entire 1946 clip at the support price under the program, which is substantially the same as the prices paid in 1945. During 1945, the average farm price of wool was maintained at approximately 42.4 cents a pound. Extension of the program will also encourage more orderly marketing of the 1946 clip and avoid the congestion of handlers' facilities which would result if the program were terminated July 1, 1946--peak of the wool-marketing season.

The wool-purchase program has been in effect since 1943. As in former years, CCC will make purchases under appropriate agreements. Normal trade channels will be used in purchasing, selling, and handling the wool. Quality, shrinkage, and value of each lot will be determined according to the schedule of purchase values by PMA-employed appraisers.

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APPROVED SHIP SUPPLIERS TO BUY SET-ASIDE BEEF

Effective December 30, USDA has amended War Food Order 75.2 to make it possible for ship suppliers approved by the War Shipping Administration to buy any type of beef being set aside currently under this order to meet requirements of the armed forces and other Government agencies. The ship suppliers will use the beef aboard ships in transport service carrying U. S. soldiers from Europe and the Pacific area back to the United States. Previously, licensed ship suppliers obtained set-aside meat under the provisions of War Food Order 74, which order was terminated on December 1.

Waste, Spoilage in Terminal Markets

Some losses from waste and spoilage as fresh fruits and vegetables pass through our terminal markets are generally regarded as unavoidable. Much more research needs to be done to determine how much of this loss could be prevented under the best handling now practically possible. But a great deal of waste and spoilage could be avoided today if handlers knew and applied what has already been learned about the cause of these losses and ways of reducing them.

It is very difficult to get an exact average of these losses in our terminal markets, and a general average has not enough meaning when we are dealing with many products whose normal rate of deterioration varies greatly. Researchers have made many attempts to determine an exact average. Although all the results do not agree, the estimates of the Bureau of Agricultural Economics at least indicate that losses of this kind are something to think about. BAE has estimated that the loss from waste and spoilage in wholesale channels amounts to 1 to 2 percent and through retail outlets amounts to an average of 6.5 percent. That agency also found an estimated 7 to 12.5 percent of waste at shipping point after physical production and of about 2.5 percent in transportation.

Wholesale, jobbing, and retail handlers are responsible for three general causes of waste and spoilage in our markets. These causes are (1) delayed sales, (2) rough and excessive handling, and (3) exposure to unsuitable temperatures.

Delayed Sales

Receivers in some of our large markets insist that the greatest cause of waste and spoilage is not the lack of facilities but the inability of the wholesaler to anticipate supply and demand respecting individual products. Sometimes when a product becomes somewhat scarce in a market and the demand is good, a number of dealers order cars that arrive on the same day or only a few days apart. Such arrivals may total two or three times the market need. Each dealer breaks his car and starts selling. Soon he finds that other dealers have received additional supplies. As a result, each dealer has to cut prices or hold some of the products so long that they deteriorate considerably before he can dispose of them.

Slowness of sales, regardless of the reason for it, is one of the most serious causes of waste and spoilage. In many small cities and even in some large ones, two or more wholesalers will split cars rather than chance the losses that are bound to result sometimes if each buys a car and distributes it over a longer period. It is difficult to see why this practice is not followed more extensively, the only reason apparent being that the splitting of cars frequently results in disagreements and that many dealers who are afraid to order in carlots prefer to haul their supplies from adjacent markets. This practice is common in some of our

larger cities. For example, dealers in Washington, D. C., truck a great deal of produce from Baltimore and even Philadelphia. Columbus, Ohio, is reported to receive at least 60 percent of its fruits and vegetables, not counting fruits and vegetables for chain stores, from Cincinnati.

Delays in movement from car door to retailer depend largely upon the location and efficiency of terminal facilities. In New York City it ordinarily takes more than 24 hours for produce to move from the car door at the pier to the retailer's store. In many of our well-organized modern terminals such deliveries are made in not more than 6 hours to points up to 75 miles distant.

Rough and Excessive Handling

The second big cause of food waste and spoilage is rough and excessive handling. Rough handling was particularly pronounced during the war. In a Federal-State study titled "Marketing of Maine Potatoes," it was estimated that there is a 2 percent loss from mechanical injuries during wholesale and retail handling. A special report by the Production and Marketing Administration titled "Quality of Late-Crop Potatoes as Offered to Consumers in Chicago" states that 8 percent of sacks showed from 2 to 5 percent damage by mechanical injury in handling between trackside and the retail store. Handlers who hire their trucking done say they cannot entirely correct these bad practices. Laborers have walked off the job after being corrected for dropping sacks of potatoes instead of laying them down. Purchasers who do their own car-unloading and hauling have better control over their employees, but they also cannot correct the wasteful practices entirely. It is expected that this situation will improve when labor becomes more plentiful, but even then the employer will have to be vigilant if he is to prevent waste from this cause.

In some terminal markets it is necessary to handle packages as many as nine times between unloading from the car and delivery to the retailer. Three or four handlings are enough in some of our well-planned modern terminals. Excessive handling is bound to cause deterioration.

Unsuitable Temperatures and Humidity

The third cause of waste and spoilage of fresh fruits and vegetables in our markets is exposure to unsuitable temperatures and humidity. The United States Department of Agriculture and many State experiment stations have done considerable research work to determine the relation between these factors and the rates of maturity advancement and of decay development. For example, "Handling and Shipping Strawberries Without Refrigeration" (Department Circular 515) shows that the rate of the development of decay is definitely associated with temperature. Strawberries after 3 days in storage showed twice as much decay at 40° as at 32° and twice as much at 50° as at 40°. The decay increased as the temperature increased; of commodities held at 80° only 20 percent were sound.

"Handling Apples From Tree to Table" (Department Circular 659) reports that apples will ripen as much in 1 day at 70° as in 10 days

at 30°, and that to hold apples at 70° for 3 days after harvesting will reduce their potential storage life by about 30 days. In storage, the ripening rate of late apples will double when the temperature rises from 32° to 40°, will double again with a rise from 40° to 50°, and will double still again with a rise from 50° to 70°.

"Influence of Storage Temperature and Humidity on Keeping Qualities of Onions and Onion Sets" (Technical Bulletin 475) reports that sprouting is influenced little by humidity but that it increases with the temperature. Root growth, on the other hand, increases with humidity but is little affected by temperature. Best storage of both onions and onion sets is at a temperature of 32° and a relative humidity of about 64 percent.

"Body Icing in Transit Refrigeration of Vegetables" (Technical Bulletin 627) reports that sweet corn loses 13.9 percent of its sugar 3 hours after it is taken out of ice water and exposed to a temperature of 70°. At 40° only 2.35 percent is lost. In air storage at 50° approximately 20 percent is lost in 24 hours and 38.13 percent is lost in 72 hours.

Differences Among Market Facilities

A study of the foregoing figures raises the question, How well are the various handlers of fruits and vegetables in our terminal markets equipped to take care of these perishable products in the best approved manner? A visitor to a number of our principal markets might observe striking contrasts in the market facilities for handling these products. In one case, for example, he might observe a storeroom about 20 feet wide, with no rear entrance for loading or unloading, and commodities moving in and out through a front entrance that is partly cut off by an office near the front door. Because the sidewalk is almost even with the street, packages must be lifted to tail-gate level, and in unloading they are frequently dropped 18 inches or more to the sidewalk. Everything received by rail must be trucked from the railroad siding, over a mile away. The passageways inside the congested store are so narrow that there is room for only the smallest of hand trucks. The produce left over at the end of the day remains on the floor even in summer, when night temperatures may run into the eighties. There is no refrigerated storage for highly perishable commodities, and sometimes not even an awning or roof to shade the products on the sidewalk from the direct sunlight.

With such conditions contrast the following store unit. From railroad tracks in the rear, cars are unloaded directly into the storeroom. The office is of the balcony or mezzanine type that leaves the entire floor free for storage and display. Convenient elevators serve the refrigerated storage rooms in the basement; perishables held overnight can be kept at proper temperatures. Because the front platform is tail-gate high, there is no need to lift products when loading and unloading trucks. This platform can be enclosed and heated in winter so as to protect displayed products before they are

loaded. In one city market which has recently built facilities such as have just been described, the market master reduced by half the waste and spoilage that had occurred in the obsolete buildings formerly used.

Trucks

A most important means of distributing fruits and vegetables from our large terminal markets is the large truck that serves a number of retailers or small jobbers in the city itself and in other cities and towns within a hundred miles. In some of our terminal markets such trucks--some individually owned, some owned by wholesalers also engaged in this kind of service--distribute at least half the fruits and vegetables distributed. The time it takes to collect the truckload to be distributed in this way reflects the efficiency, or inefficiency, of terminal facilities and of individual service wholesalers of this kind. In a city like Boston, where a number of wholesale markets are scattered over the city, it takes a trucker from 7 a. m. to 1 or 2 p. m. to gather his load from the different terminal markets including the auction, and still longer if he goes to the farmers market. Because so many trucks are trying to get deliveries out of a certain car, it often takes a trucker 3 or 4 hours to get from that car the few packages he needs to complete his load. But during the wait his partly loaded truck is often exposed to hot sunlight or to very low temperatures.

In contrast with these conditions, take the case of a wholesaler in a midwestern city whose store and loading platform are located by a railroad siding lengthy enough to hold several cars. On the opposite side of the platform his large distribution trucks line up at night and take on products fresh from refrigerator cars or refrigerated storage rooms. These trucks, beginning their trips at 3 or 4 a. m., complete their rounds of the retailers by 8--before product temperatures have risen much.

In a number of our cities progress has been made in building efficient terminal facilities that will properly protect perishables as they pass through the hands of the wholesaler and large jobber. But in many large markets most wholesalers and practically all jobbers have no refrigerated storage space. Very few retailers have enough proper refrigerated storage space to take care of the perishables they have received from the wholesaler. But in many markets today the interest in refrigerated storage is increasing among wholesalers, jobbers, and retailers who want to take better care of their purchases, and orders for refrigerated storage equipment are swamping manufacturers. In the smaller cities this seems to be particularly true of large retailers who receive their supplies only every 2 or 3 days from a service wholesaler in the nearest large market. The super-market type of retail store that has grown so rapidly in the last 10 years is generally well equipped with cold rooms for holding highly perishable products.

REQUIREMENTS OF SOYBEAN OIL ORDER CLARIFIED

USDA has clarified the requirements of amendment 9 to War Food Order 29, issued December 21, 1945, under which manufacturers are limited in their use of soybean oil in synthetic resins.

Formerly, soybean oil could be used in the production of synthetic resins without specific restriction. The amendment to WFO 29 limits the amount that may be used each month. It also requires a user to certify to his supplier that his use in any month shall not exceed one-sixth of the quantity he used in synthetic resins during the first 6 months of 1945. Tank bottoms or foots of soybean oil, or acids made from tank bottoms or foots, are not affected by this restriction.

Only acids made from whole oil, other than tank bottoms or foots, come under the restriction. Users, in certifying to their suppliers, were advised to convert the quantity of restricted acids used into comparable quantities of whole oil and to include that quantity in their use for compliance purposes.

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EMERGENCY FATS AND OILS QUOTA CONTINUED

Continuance of the 4 percent emergency increase in the quota of fats and oils granted manufacturers of shortening and cooking and salad oils was continued by USDA late in December. The emergency quota, above the regular quota of 88 percent of the average use of fats and oils in the base period 1940-41, was first granted for the quarterly period October 1 to December 31, 1945.

The new amendment (No. 24 to WFO 42) permits manufacturers to use the additional fats and oils in shortening and cooking and salad oils during the calendar quarter January 1 to March 31. The quota percentage applicable to margarine manufacturers--95 percent of 1944 usage--remained unchanged.

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APPLE SET-ASIDE ORDER AMENDED

Because both Winesap and Newtown varieties of apples in the Wenatchee-Okanogan, Yakima, and Hood River areas of Oregon and Washington were averaging smaller in size than at first anticipated, the U. S. Department of Agriculture late in December amended the apple set-aside order (WFO 143) to meet these crop conditions. The set-aside was put into effect on October 2 to facilitate Government procurement, particularly for the armed services.

Under amendment 2 to WFO 143, effective December 22, 1945, the quantity of smaller sizes permitted to be substituted for larger sizes in the Winesaps and Newtowns required to be set aside by handlers for Government purchase has been increased from 20 to 25 percent. In addition, the amendment extends the range of sizes of smaller apples that may be substituted from the former sizes 175 or 180 to sizes 175 to 216. However, of the maximum quantity authorized to be substituted, not more than 30 percent may be of the sizes 198 to 200 inclusive, and not more than 30 percent may be of the size 216.

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DISTILLERY USE OF CORN, WHEAT, RYE RESTRICTED

Restrictions on the use of corn, wheat, and rye by beverage distillers and a reduction of 25 percent in the number of days' mashing capacity in February were announced by USDA on January 21. January mashing operations had been limited to 10 days.

The beverage distillers were authorized to purchase and use in an amount equivalent to $7\frac{1}{2}$ full days' mashing capacity for the manufacture of beverage spirits during February any grain other than (1) corn grading numbers 1, 2, and 3 when purchased, (2) wheat grading numbers 1, 2, 3, and 4 when purchased, and (3) the products made from wheat. Effect of the restrictions is that distillery use of corn and wheat will be confined to low grades.

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WFO 4.9 TERMINATED TO PERMIT SALES OF CIGAR FILLER TOBACCO

The U. S. Department of Agriculture has terminated War Food Order 4.9 to permit resumption of sales of 1945-crop cigar filler tobacco, types 41-44. Type 41 is grown in Pennsylvania and types 42-44 are grown in Ohio. The order, which prohibited future-contract sales of the cigar binder and filler types, was issued to avoid the maldistribution of the crop which would have resulted from advance buying.

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RICE SHIPMENTS MAY BE CREDITED ON SET-ASIDES

Effective February 1, all commercial shipments of domestic rice to Puerto Rico, the Virgin Islands, and Hawaii may be credited on Government set-asides, USDA announced January 25. Also announced was that the quantity of milled rice required to be set aside would be increased to 50 percent of southern and 70 percent of California rice production.

Farmers Prefer Newscasts

The importance of radio to rural people in the distribution of market news was emphasized in the 141-page "Summary of a Survey of Attitudes of Rural People Toward Radio Service" recently released by the Federal Communications Commission. The poll was made by the Division of Program Surveys of the Bureau of Agricultural Economics, USDA, and covered 2,535 farm and small-town families in 116 counties selected to provide a cross-section of rural areas. It was made at the request of the FCC to determine whether and to what extent the clear channel stations render a program service particularly suited to the needs of rural listeners.

News and Information

Farmers value radio mainly for news and information, according to the survey. Market reports are second only to news in the list of programs they said they would miss most if their radios were cut off. Among rural women, entertainment was more commonly given as a value of radio than news, although almost as many farm women mentioned news. The importance of the news function of radio to rural people was demonstrated when they were asked what kinds of programs they would miss most if they had to go without radio service. News programs were mentioned by an overwhelming majority who owned radios--much more often than any other type of program. Farm men and women again exceeded rural non-farm people somewhat in their emphasis on the importance of news programs. Farm men also much more often emphasized the value of programs giving market and weather reports, and talks on farming, than did non-farm men. When rural people who owned radios were asked to name the kinds of programs they liked best, the pattern of their tastes in radio became evident. In general, farm people select the more serious programs. News and market reports, hymns and religious music, sermons and religious programs, and farm talks were given high preference by this group. Old-time music was preferred by approximately 50 percent of the men and women of the farm group and the proportion naming it nearly doubled the proportion naming the entertainment program next most commonly mentioned.

Twenty-seven percent of the farmers gave as one of their reasons for valuing radio that it helps them in their work, or more specifically that they need the weather or market reports they get over the radio. The reasons most frequently given for valuing market reports, as well as talks on farming, were that such programs are practically useful. Another reason given by those who named these as most valued programs was that these broadcasts help keep them in touch with what is going on, and that they have no other means of getting the information.

The survey clearly indicates that farm programs in general attract a large audience among rural people. Among those who own radios, 81 percent of farm and 47 percent of rural non-farm people listen to programs

giving weather reports, market reports, or talks on farming. The survey showed that 34 percent of the farmers interviewed listened to market reports daily and that 27 percent listened from one to five times a week.

Most rural people in the United States value radio highly. Three out of four "farm" and "rural non-farm" radio owners felt they would miss radio very much if it were inaccessible to them. Approximately the same proportion of former owners said they missed radio very much. Nearly nine-tenths of those rural dwellers who had not had radios for 5 years or more said they would like to have one. Radio has become a highly valued aspect of everyday living in most rural homes that have radios, and a highly desired one in most of those homes that do not.

About one in every four rural households has no radio in working order, according to the survey. About half of these homes had had radios within the last 5 years. Most of them reported that they had not replaced or repaired their radios because of wartime shortages. The rural households that had had no radio for over 5 years most commonly had gone without because they felt they could not afford one. There was a strong tendency for those households that had had no radio for 5 years or more also to lack telephones and daily newspapers, the other major communication methods.

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72 PERCENT OF COFFEE AUTHORIZED UNDER SUBSIDY PURCHASED THROUGH JANUARY 9

Between November 19, 1945, and January 9, 1946, about 4,304,000 bags of green coffee were reported as purchased by importers under the coffee subsidy program. This amounts to 72 percent of the 6,000,000 bags authorized for subsidy payment.

Reports of purchases are filed with the Department of Agriculture in accordance with the subsidy plan announced on November 17, 1945, by Judge John C. Collet, Economic Stabilization Administrator. This plan, contained in Directive 87, provides for the payment to importers of 3 cents per pound of green coffee on a maximum of 6,000,000 bags of 132 pounds each, to be purchased and shipped between November 19, 1945, and March 31, 1946. On November 30, 1945, green coffee stocks in the United States totaled 4,215,000 bags.

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USDA TERMINATES CHEDDAR CHEESE SUBSIDY

Termination of the subsidy payment of three and three-quarters cents a pound on Cheddar cheese, effective February 1, has been announced by USDA.

ABOUT MARKETING:

The following addresses and publications, issued recently, may be obtained upon request. To order, check on this page the publications desired, detach, and mail to the Production and Marketing Administration, U. S. Department of Agriculture, Washington 25, D. C.

Addresses:

New Frontiers for the Livestock Industry, by Clinton P. Anderson, Secretary of Agriculture, at Denver, Colo. January 11, 1946. 15 pp. (Mimeoographed.)

Cooperatives and the Family Farm, by Clinton P. Anderson, Secretary of Agriculture, at Chicago, Ill. January 9, 1946. 13 pp. (Mimeoographed.)

Postwar Progress, by C. W. Kitchen, Assistant Administrator for Regulatory and Marketing Service Work, at Chicago, Ill. January 23, 1946. 3 pp. (Mimeoographed.)

Outlook for the Dairy Industry, by T. G. Stitts, Director, Dairy Branch, PMA, at Chicago, Ill. December 17, 1945. 6 pp. (Mimeoographed.)

Prospective Technological Developments in Marketing, by F. L. Thomson, Bureau of Agricultural Economics, at Washington, D. C. December 4, 1945. 16 pp. (Mimeoographed.)

Reports:

Feed Grains and Meat Animals in War and Peace. (Bureau of Agricultural Economics) November 1945. 55 pp. (Multilithed.)

Postwar Packages and Containers for Marketing Foods. (Bureau of Agricultural Economics) October 1945. 64 pp. (Mimeoographed.)

7 Steps To Help You Face the Future With Cotton. AIS-41. (U. S. Department of Agriculture and State Extension Services of the South cooperating) January 1946. Folder. (Printed.)

The Wholesale Fruit and Vegetable Markets of Richmond, Virginia. December 1945. 28 pp. (Mimeoographed.)

U. S. Standards for Fresh Shelled Peas for Canning or Freezing. (Effective January 15, 1946) 3 pp. (Mimeoographed.)

The Balance Sheet of Agriculture, 1945. MP 583. (Bureau of Agricultural Economics) December 1945. 44 pp. (Printed.).

Dairy Cattle Judging (Revised). U. S. Dept. Agr. Farmers' Bul. 1769. August 1945. 29 pp. (Printed.)

